



Becoming Agile: How Reflektive Fits In With Your HCM

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Introduction

The most important trend happening in HR right now is the shift away from traditional performance management in favor of continuous feedback, frequent check-ins, agile goal setting, and reviews that center on career development (not just compensation or bonuses). A staggering 81 percent of companies today are rethinking performance management¹.

Part of the reason for this change is the fundamental shift in the way our workforce functions. More than 70 percent of today's employees are knowledge workers, which means their performance is driven by their skills, attitude, and their ability to innovate and impact change². For **knowledge workers**, output isn't as easily quantifiable as it is for manufacturing or industrial jobs; success requires adaptability, engagement, and motivation. Traditional performance management simply isn't equipped to measure these intangible skills.

It's not just the type of work that's changing but also the people. Millennials want — and expect — more feedback than other generations³. And they're right to feel this way; when employees review personal goals quarterly (or more often), they're more likely to outperform their peers.

As HR organizations evolve to meet the needs of a changing workforce, so too does HR technology.

The way HR technology used to work — one core product that served all HR needs — isn't working anymore. The compliance-first approach to HR is failing, slowly but surely. Technology tools provided to employees are just one example. Modern software for PM is one way around this. The integration helps organizations drive better decisions by providing a holistic view of employees.

Using your HCM suite with a modern PM solution allows organizations to easily synchronize employee and rich performance data providing a holistic view of employee performance from different perspectives. This approach also promotes improved collaboration for professional development and coaching opportunities between managers and employees.

In this e-book, we'll guide you through the technology landscape for PM. We'll explain why it's so important to invest in performance management, why you need dedicated software alongside your HCM suite, and we'll provide a framework for bringing modern PM into your existing HR program.



81%

A staggering 81 percent of companies today are rethinking performance management.

Investing in Performance Management

You've done the research. You've advocated for the software. You've made the investment. Finding and implementing a human capital management (HCM) suite takes a lot of work. And it's worth it — this technology is the heart of your HR operations. But is it right for performance management?

An HCM suite provides valuable insight into your employee base: how many people you employ, where they work (and live), how much they earn, and which skills they have (or need). It's an excellent baseline for tracking the pulse of your company. And in most cases, it includes a performance management tool.

But when it comes to the actual performance measurement, an HCM suite will only offer limited functionality. The outdated interface has employees frustrated and angry in what is already a sensitive process. They feel their time is

wasted doing an exercise "for HR" and don't see the benefit to themselves. It's simply not built for employee adoption. HCM PM forces employees to see performance in the same place they see compensation. But today, performance needs to be user-friendly and accessible, so data is updated frequently to give HR insight to make better talent and people decisions.

The truth of modern performance management is that you need more than just your HCM suite. If you're running an agile HR organization, you need HCM suite and dedicated performance management software to work in tandem.



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THE PERFORMANCE MANAGEMENT TECHNOLOGY LANDSCAPE

<i>Focus Area</i>	<i>Solution with HCM suite</i>	<i>Solution with PM Software</i>
Goals	<ul style="list-style-type: none"> • Top-down approach driven by HR administrator and set by management • Require employees to adhere to company goals • Heavy approval process for editing and updating goals • Missing goal alignment, visualizations, and linking 	<ul style="list-style-type: none"> • Set by employees and management collaboratively • Agile enough to capture daily accomplishments • Goals can be edited or updated easily to reflect shifts in organizational structure or changing business priorities
Performance	<ul style="list-style-type: none"> • Formal feedback process at specified intervals • Limited flexibility with heavy approval processes and no peer selected reviewers • No targeting capabilities related to role or individuals • Inability to communicate with reviewees directly on progress 	<ul style="list-style-type: none"> • Tracked continuously – weekly 1x1s, quarterly check-ins, and formal performance and 360-degree reviews
Engagement	<ul style="list-style-type: none"> • No offering beyond formal goal-setting; relies on external programs • No social engagement features • No socialization of feedback in the system amongst employees 	<ul style="list-style-type: none"> • Designed for employee adoption and frequent use • Incorporates employee priorities, like real-time feedback and recognition • Drives daily social engagement through familiar social interface, the recognition wall, offering likes, comments, and posts • Highlights behaviors and achievements to provide a holistic picture of development to drive engagement
System	<ul style="list-style-type: none"> • Performance tracking and goals are included in the system of record, but employees are required to proactively access the system to use them 	<ul style="list-style-type: none"> • Fits seamlessly into daily work systems (email, Slack, etc.) • Integrates with system of record for data tracking

Meeting the Needs of a Changing Workforce

Here's the situation: Traditional performance management is broken, and most organizations know this. That's why 81 percent of companies are updating the way they manage performance. Fixing this problem takes more than new technology; it requires a change in the way your entire company views performance. Competitive pressure, social and demographic change, and technological advancement are creating a workforce in which traditional performance management practices no longer apply. Change isn't a special event. Change is the new normal.

Organizations now have the herculean task of shifting priorities and directing employee behavior to stay aligned with these needs, and in addition,

responding to employee, team, and product changes. Most of the responsibility falls on HR.

The technology long used in HR departments are falling short. An agile organization needs agile tools. HR leaders need a better way to make decisions around human capital needs.

Traditional performance review tools were built for a workplace where output was easily quantifiable and employees were evaluated on the same skills.

Similarly, traditional performance management was made for a different type of employee, and driven almost entirely by formal HR events, like reviews. Goals were set annually at the top of the company.

WHAT TODAY'S EMPLOYEES REALLY WANT

Goals	Only 58 percent of employees feel that managers clearly communicate goals ⁴
Performance Reviews	30 percent of performance reviews actually decrease employee performance ⁵
Feedback	Millennials are more likely to be engaged in their work when their manager holds regular meetings with them ⁶
Recognition	40 percent of employees say they'd put more effort into their work if they were recognized more frequently ⁷
Compensation	95 percent of employees say culture matters more than compensation ⁸
Culture	83 percent of employees are more interested in staying at a company if they're given opportunities to take on new challenges ⁹

And in many cases, employees were stack-ranked against each other.

The reality of today's knowledge-driven workforce is much different. Employees are hungry for new challenges, invested in company culture, and more interested in career development than in collecting

a paycheck. The traditional model doesn't align with today's workforce.

Adopting a modern model of PM while using old tools is like to putting new software into an obsolete computer – it just won't work, no matter how hard you try.

PERFORMANCE MANAGEMENT TIMELINE

Traditional Performance Management			
<ul style="list-style-type: none"> Review performance from the previous year through self-review, 360 review, and manager review Set goals for the current year 	<ul style="list-style-type: none"> Receive salary adjustment 	<ul style="list-style-type: none"> Mid-year reviews (optional) 	
January	March	July	December
<ul style="list-style-type: none"> Review performance from the previous year through self-review, 360 review, and manager review Set goals for the current year 	<ul style="list-style-type: none"> Receive and request real-time feedback Get public recognition from peers and leadership Weekly 1x1s Quarterly check-ins Agile goal adjustment 		
Transformational Performance Management			

The performance management functionality of most HCM tools is limited to the traditional approach, which restricts your performance strategy to formal, event-driven processes. With a combination of HCM and dedicated performance management software, your HR technology can meet the demands of a nimble, fast-moving organization.

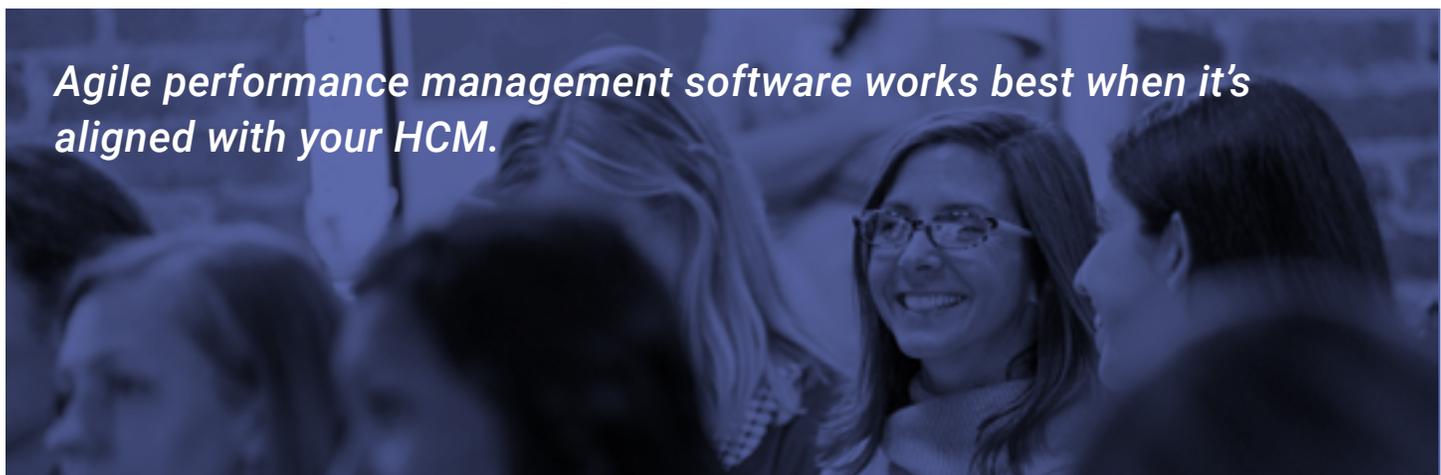
Building the Right Technology Framework

Investing in dedicated performance management software doesn't have to mean you're introducing a new level of complexity into your technology framework. Agile performance management software works best when it's aligned with your HCM. This combined technology framework

enables you to adopt continuous feedback right away, get a holistic view of every employee, and access support from domain experts who can help you roll out the right programs to reach your HR goals.

BENEFITS OF USING REFLEKTIVE WITH YOUR HCM

Implementation	Integration	Support
<ul style="list-style-type: none"> • Launch performance management program in 4-8 weeks with dedicated software • See value faster with continuous feedback – don't wait for the next review cycle to see results 	<ul style="list-style-type: none"> • Sync employee data (demographic, skills, etc.) with performance data to get a full snapshot of every person in your organization • Increase collaboration between managers and employees with more frequent and personalized professional development and coaching opportunities 	<ul style="list-style-type: none"> • Reach your performance management goals with dedicated go-live support, product training, advice on HR best practices, and internal communications planning • Gain domain expertise on agile performance management



Implementing Modern Performance Management

If you're like most companies, you're on track to launch a new HR program within the next 12 months. Whether it's real-time feedback, check-ins, agile goal management, or just a less-painful review process, the changes you make will have a direct impact on retention, engagement, culture, productivity, and hiring – from the moment you introduce them to your team. The companies that successfully modernize HR programs report undeniably positive results in a matter of months.

Getting the executive team on board with an investment in performance management is just the first step. Implementing a strategy and rolling out the right technology is the next. When you have momentum to modernize HR programs, waiting even six months can significantly impact employee

retention and engagement. And this stuff matters now. Consider your current attrition rate. How many employees will you lose before your next review cycle? Can you afford to lose them? How will that loss affect hiring?

A user-friendly performance management tool can be rolled out to your entire organization in a matter of weeks – without a complicated onboarding process. A performance management tool that's built for employee adoption means fast feedback, data, and results.

Your HCM suite will always be your system of record for HR, but if you're invested in creating an agile HR organization, you'll need the right tools to support your efforts.

KEY FEATURES OF A MODERN PM SUITE

Core Areas	What You Get With Reflektive
Goals	<ul style="list-style-type: none"> • Agile goal setting that supports light goals, OKRS, and SMART goals • Ability to link goals to individuals and organizations • Goal creation for teams and custom groups • Simple goal editing and updating – no approval needed
Real-Time Feedback	<ul style="list-style-type: none"> • Flexibility to give or request feedback to or from anyone in the organization when it's most relevant • Immediate visibility into feedback empowers employees to engage in development • Flexibility to provide public or private feedback from managers or peers • Single aggregation of all feedback for later performance reviews

KEY FEATURES OF A MODERN PM SUITE CONT...

Core Areas	What You Get With Reflektive
Performance Reviews	<ul style="list-style-type: none"> • Seamless integration with goals and feedback • Support for traditional performance reviews, 360's, light check-ins on goal process and development, and 1x1's • Custom targeting for roles or individual employees • Ability to rate on individual goal progress • Communications capability to remind managers and employees to complete reviews
Adoption	<ul style="list-style-type: none"> • Integration with employee's daily workflow (i.e. email, Slack) • Ability to make feedback social on the recognition wall, where employees can like, comment, and filter feedback • Access to microlearning directly in the system for immediate development progress • Option to train team members on providing feedback, having successful 1x1, and more
Customer Success	<ul style="list-style-type: none"> • Onboarding for your team and employee education • Dedicated, personalized go-live planning and support • Product training, HR best practices advice, and internal communications planning
Infrastructure	<ul style="list-style-type: none"> • Reporting functionality • Integrations with Gmail, Outlook and Outlook Web, Slack • Availability on mobile

Resources

¹ Mercer Talent Trends ² [Deloitte Insights](#) ³ [Gallup](#) ⁴ [Guidespark](#) ⁵ [Psychology Today](#) ⁶ [Gallup](#) ⁷ [HBR](#) ⁸ [Inc](#) ⁹ [ReportLinker Insight](#)